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*Counsel to the Litigation Trust*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:	)	
AEGEAN MARINE PETROLEUM NETWORK, INC., <i>et al.</i> , <sup>1</sup>	)	
Debtors.	)	
	)	Chapter 11
	)	18-13374 (MEW)
	)	Jointly Administered

**NOTICE OF LITIGATION TRUST'S QUARTERLY REPORT FOR THE PERIOD  
JULY 1, 2019 THROUGH SEPTEMBER 30, 2019**

PLEASE TAKE NOTICE that Peter Kravitz, as trustee for the litigation trust (the "Litigation Trust") established to facilitate the implementation of the *Joint Plan of Reorganization of Aegean Marine Petroleum Network, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code*, dated March 22, 2019, through its undersigned counsel, hereby files the *Litigation Trust's Quarterly Report for the Period July 1, 2019 to September 30, 2019*, a copy of which is attached hereto as **Exhibit A**.

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<sup>1</sup> A complete list of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' claims and noticing agent at <http://dm.epiq11.com/aegean>.

Dated: New York, New York  
November 14, 2019

**AKIN GUMP STRAUSS HAUER & FELD LLP**

By: /s/ Abid Qureshi

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**EXHIBIT A**

Quarterly Report for the Period July 1, 2019 to September 30, 2019

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In re:	)	
AEGEAN MARINE PETROLEUM NETWORK INC., <i>et al.</i> , <sup>1</sup>	)	
Debtors.	)	
	)	Chapter 11
	)	Case No. 18-13374 (MEW)
	)	Jointly Administered

**LITIGATION TRUST’S QUARTERLY REPORT FOR THE PERIOD  
JULY 1, 2019 THROUGH SEPTEMBER 30, 2019**

**A. Background**

1. This quarterly report (the “Report”) of the litigation trust (the “Litigation Trust”) established to facilitate the implementation of the *Joint Plan of Reorganization of Aegean Marine Petroleum Network, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code*, dated March 22, 2019 [Docket No. 503-1] (the “Plan”), was prepared pursuant to section 4.13 of the Litigation Trust Agreement.<sup>2</sup> The financial data included in this Report was not audited or

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<sup>1</sup> A complete list of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <http://dm.epiq11.com/aegean>.

<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Plan.

reviewed by an independent registered public accounting firm and is subject to future adjustment, reclassification and/or reconciliation.

2. On November 6, 2018, Aegean Marine Petroleum Network Inc. (“Aegean”) and certain of its affiliates (the “Debtors”) filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code.

3. On March 29, 2019, the Court entered the *Findings of Fact, Conclusions of Law, and Order Confirming the Joint Plan of Reorganization of Aegean Marine Petroleum Network Inc. and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 503]. The Effective Date of the Plan occurred on April 3, 2019.

4. On the Effective Date, the Litigation Trust was created pursuant to the Plan and the Litigation Trust Agreement, dated as of April 3, 2019, by and among Aegean, the other Debtors and the Non-Debtor Subsidiaries, as settlors, and Peter Kravitz, as Trustee of the Litigation Trust (the “Litigation Trustee”). Pursuant to the Plan and Section 2.1 of the Litigation Trust Agreement, the initial members of the Litigation Trust Advisory Board, Patrick J. Bartels, Jr., Eugene I. Davis, and Raphael Wallander, were appointed jointly by the Committee and the Required Consenting Unsecured Noteholders to advise and consult with the Litigation Trustee with respect to the administration and management of the Litigation Trust.

**B. Material Actions of the Litigation Trust and Progress of Liquidating the Litigation Trust Assets**

5. As previously reported, following the Effective Date, and in consultation with the Litigation Trust Advisory Board, the Litigation Trust commenced a global asset recovery strategy to pursue the Litigation Claims, including retaining professional advisors in connection therewith. Specifically, (i) pursuant to an engagement letter dated as of April 3, 2019, the Litigation Trust retained Reid Collins & Tsai LLP to serve as special litigation counsel in investigating and

pursuing causes of action against the Debtors' former officers and directors, (ii) pursuant to an engagement letter dated as of May 29, 2019, the Litigation Trust retained Kobre & Kim LLP as counsel in the development and implementation of strategies seeking to recover value in connection with the removal of assets of, and damages caused to, Aegean by Dimitris Melisanidis ("Melisanidis") and others, the facts and circumstances surrounding the report by Aegean to the U.S. Securities & Exchange Commission and the U.S. Department of Justice, and the investigation by the Audit Committee of the Board of Directors of Aegean, with the exception of any potential causes of action against the Debtors' former officers and directors, and (iii) pursuant to a consulting agreement dated as of June 21, 2019, the Litigation Trust retained Donald Moore to assist the Litigation Trust with its investigation, prosecution and recovery of proceeds from the Litigation Claims. The Litigation Trust has also retained local counsel in certain foreign jurisdictions to assist with the Litigation Trust's asset recovery strategy.

6. On August 2, 2019, the Litigation Trust brought claims in the District Court of Luxembourg against Grady Properties Corporation S.A., Melisanidis, Georgios Melisanidis, OilTank Engineering & Consulting Ltd ("OTE"), Leveret International S.A., George Tzannakos and Stylianos Kostopoulos (the "Luxembourg Action"). The Litigation Trust has served the defendants and they have retained counsel. The Luxembourg Court will next issue directions to set a timetable and procedures to adjudicate the claims.

7. On August 5, 2019, the Litigation Trust brought an action requesting disclosure of and a freeze over assets of certain defendants in the Luxembourg Action, among others, in the District Court of Nicosia, Republic of Cyprus, Application Number 309 / 2019. The Cyprus Court granted the requests for disclosure and freezing injunctions on August 7, 2019. The Cyprus Court has held two additional hearings for directions on September 12, 2019 and October 31, 2019. The

parties subject to the disclosure and freezing orders have appeared and filed objections to those orders. The Cyprus Court will next provide further directions to the parties to set a timetable and procedures to adjudicate the challenges to the disclosure and freezing orders.

8. The Litigation Trust sought and obtained the appointment of a receiver over OTE on August 21, 2019 in the High Court of the Republic of the Marshall Islands, Civil Action Number 2019-109. The Marshall Islands Court appointed Chris Kennedy, of Alvarez & Marsal, Cayman Islands, as the receiver over OTE. The receivership order is to remain effective for twelve months, at which time it may be extended for cause.

9. The Litigation Trust initiated an action on September 11, 2019, in the United States District Court for the Southern District of New York, *Kravitz v. Tavlarios, et al.*, Civil Action No. 19-cv-08438, against former Aegean officers and directors Nikolas Tavlarios, Peter Georgiopolous, John Tavlarios, and George Konomos for breach of fiduciary duty.

10. To date, the Litigation Trust has not entered into any settlements of the Litigation Claims or recovered any Litigation Trust Proceeds. Additional details regarding the status of the Litigation Claims will be provided in subsequent reports as appropriate.

### **C. Status of Claims Resolution and Distribution Process**

11. As previously reported, on the Effective Date, Mercuria funded the Aegean Unsecured Claims Cash Pool in the amount of \$40 million. Pursuant to the Plan, the Litigation Trust established a Disputed Claims Reserve in the amount of \$4.18 million for the benefit of holders of Aegean Unsecured Claims that were not Allowed as of the Effective Date, and Holders of Allowed Aegean Unsecured Claims as of the Effective Date received their *pro rata* portion of the Aegean Unsecured Claims Cash Pool, less the amount of the Disputed Claims Reserve. The Litigation Trust is responsible for distributing funds in the Disputed Claims Reserve to Holders of

Allowed Aegean Unsecured Claims as disputed claims are compromised, settled, allowed or disallowed.

12. The Litigation Trust and its advisors are in the process of reviewing proofs of claim filed in the chapter 11 cases, including any supporting documentation attached thereto, and reconciling the proofs of claim with the Debtors' books and records and the Schedules to determine the validity of the proofs of claim and to avoid possible multiple recoveries or otherwise improper recoveries by claimants. On October 18, 2019, the Litigation Trust filed the *Litigation Trust's First Omnibus Objection to Claims (Amended and Superseded Claims, Duplicate Claims, Duplicate Noteholder Claims, and Insufficient Documentation Claims)* [Docket No. 610] (the "First Omnibus Claims Objection"). The First Omnibus Claim Objection objects to two Amended and Superseded Claims, eight Duplicate Claims, 67 Duplicate Noteholder Claims and two Insufficient Documentation Claims (each as defined therein). The hearing on the First Omnibus Claims Objection is scheduled for November 19, 2019 at 10:00 a.m. (ET). The Litigation Trust is in the process of preparing additional omnibus objections to certain categories of claims that the Litigation Trust and its advisors believe should be disallowed.

**D. Financial Statements**

13. The Litigation Trust's financial statements for the period of July 1, 2019 through September 30, 2019 are attached hereto as Schedule 1.



Dated: New York, New York  
November 14, 2019

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**Schedule 1**

Financial Statements

Aegean Litigation Trust					
Balance Sheet					
As of September 30, 2019					Accrual Basis
					Sep 30, 19
ASSETS					
	Current Assets				
		Checking/Savings			
			Aegean LT-Disputed CI Rsrv 5528		4,204,856.55
			Aegean LT-Operating 5510		14,247,440.20
		Total Checking/Savings			18,452,296.75
Total Current Assets					18,452,296.75
Other Assets					
		Litigation Assets			TBD
Total Other Assets					0.00
TOTAL ASSETS					18,452,296.75
LIABILITIES & EQUITY					
Liabilities					
	Current Liabilities				
		Accounts Payable			
			Accounts Payable		42,057.65
		Total Accounts Payable			42,057.65
	Total Current Liabilities				42,057.65
	Long Term Liabilities				
			Litigation Trust Loan		15,000,000.00
			LT Funding Fee Payable		3,000,000.00
	Total Long Term Liabilities				18,000,000.00
Total Liabilities					18,042,057.65
Equity					
		Disputed Claims Reserve			4,179,910.69
		Funding Fee			-3,000,000.00
		Net Income			-769,671.59
Total Equity					410,239.10
TOTAL LIABILITIES & EQUITY					18,452,296.75

Aegean Litigation Trust					
Profit & Loss					
April through September 2019					Accrual Basis
					Apr - Sep 19
Ordinary Income/Expense					
Expense					
			Bank Charges		6,388.83
			Insurance Expenses		80,000.00
			Legal & Professional Fees		
			Board Member Fees		135,000.00
			Legal & Professional Fees - Other		587,839.56
			Total Legal & Professional Fees		722,839.56
			Total Expense		809,228.39
Net Ordinary Income					-809,228.39
Other Income/Expense					
Other Income					
			Interest Income		39,556.80
			Total Other Income		39,556.80
Net Other Income					39,556.80
Net Income					-769,671.59